New England

BUSINESS REVIEW

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Part II, The Coming Decade

Investment and Productivity in New England Manufacturing Industries

New England's industrial growth in the decade of the 1960's will depend to a large extent on the investment of its manufacturers. In the past decade New England's investment has been lagging. Since 1947 investment per employee has risen substantially in the nation, but in New England it has fallen. Will New England investment be adequate in the new decade?

"Adequacy" is an elusive concept. An old machine can be kept in service by fitting it with a new set of teeth. In equipping a new plant many alternative installations are available at various costs, but savings in investment may be at the expense of productivity. Recent evidence suggests that the problem of New England industries is not old machinery, but too little of it — a low ratio of capital to production workers.

The region's investment in the next decade must be adequate to create new jobs in manufacturing consistent with the balanced growth of the region. It must be adequate to raise productivity at a rate necessary for the maintenance of the region's competitive position. Investment needs in the 60's will depend, then, on the level of employment and on productivity.

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Employment Goals

A reasonable employment goal for New England might be that New England industries continue to share the same proportion of the national employment growth or decline as they did, on average, in the past forty years. This implies more than a stabilization of New England's position. In many industries New England's share of employment growth in the nation has been declining. A reversal to the relationship in the last four decades assumes in these instances a strengthening of the region's relative position, although the absolute share of the nation's employment — in contrast to employment growth — may still continue to decline.

Manufacturing industries in particular serve a dual role in New England. They provide jobs to some 34 percent of the labor force, and wages and salaries paid out by manufacturing industries make up 29 percent of the personal income in the area. At the same time exports of manufactured products to other regions and nations earn a large portion of the purchasing power with which the region buys the needed raw materials, foodstuff, and other products in which the region is deficient. The presence of a strong manufacturing sector is therefore indispensable for the health of other sectors in the economy: services, state and local government, trade, and public utilities.

As a second goal, New England's manufacturing industries should continue to perform their historical role. In the past the task has been well performed. Benefited by an early start, the share of New England manufacturing industries was much larger than her share of population of the nation. In 1899 for example New England had 7.3 percent of the population in the United States. In contrast 17.6 percent of the nation's manufacturing employment was in New England. Since then the region's share of manufacturing industries has declined consistently, but even in 1958 with 5.4 percent of the nation's population the region could still boast of 8.9 percent of the nation's manufacturing employment.

To avoid serious emigration and painful readjustments of the economy, manufacturing industry employment should grow in approximately the same proportion as population and labor force. Without any drastic changes in consumer tastes or technologies, the fulfillment of this goal would be likely to provide jobs and income for the growing population, and a satisfactory trade relationship between New England and elsewhere.

It is clear that for a region with such limited natural resources and a dense population, the gap between population share and manufacturing employment share cannot be expected to narrow indefinitely.

To meet all these conditions, 1970 employment might be given as in the table* on this page. These figures are derived from the assumption that employment growth in New England is some fixed percentage of the expected growth in the United States. In the electric machinery industry for example growth of employment in the region has averaged 11.4 percent of the growth in the nation. The projected increase of some 117,000 employees in this industry between 1957 and 1970 is simply 11.4 percent of the national increase projected by the Bureau of Labor Statistics for the nation.

This projection technique is obviously too inflexible for some industries — modifications based on particular regional considerations have therefore been introduced in the case of textile, apparel, chemical, shoe and leather, and primary metals industries. Even with the adjustments it should still be pointed out that the figures represent merely one possible pattern of manufacturing employment in 1970. The future is affected by changes in technology or consumer tastes; the goal outlined now can only be a sketch of what may be hoped for in the future.

The estimating technique suggests that total manufacturing employment might reach 1,705,500 in 1970, 14.9 percent of the projected population and 37.5 percent of the projected labor force. Although the figures indicate a slight increase in the importance of the manufacturing sector in the region's economy, the implied growth of manufacturing employment of 19 percent between 1957 and 1970 is still somewhat less than the national increase

PROJECTED EMPLOYMENT GROWTH, 1957 TO 1970
NEW ENGLAND

Industry	1957	1970	Percentage Change
Food and kindred products	64,400(a)	65,900	2.3%
Textile mill products	138,176	100,000	−27.6
Apparel and related products	93,863	115,500	23.1
Lumber and furniture	57,063	56,800	— 0.5
Pulp, paper and products	69,207	83,700	21.0
Printing and publishing	62,254	75,400	21.1
Chemicals and products	30,804	35,800	16.2
Petroleum and coal products	1,997	3,700	86.7
Rubber products	44,853	55,800	24.4
Leather and leather products	110,823	118,000	6.5
Stone, clay and glass products	25,475	32,300	26.8
Primary metal industries	57,388	52,000	− 9.4
Fabricated metal products	94,800	122,800	29.5
Nonelectrical machinery	189,267	234,200	23.7
Electrical machinery	130,807	247,400	89.1
Transportation equipment	113,423	124,600	9.9
Instruments and related products	39,760	57,300	44.1
Miscellaneous (including tobacco)	107,320	124,300	15.8
TOTAL	1,431,680	1,705,500	19.1%

(a) 1954 Figure. For comparability the Dairy Industry figures are excluded from the Food Industry totals.

Source: **1957 U. S. Annual Survey of Manufactures;** Federal Reserve Bank of Boston.
For derivation of the 1970 estimates, see "New England Manufacturing Industries in 1970," Federal Reserve Bank of Boston.

* For technical details on the derivation of these and other figures in this article, the reader is referred to a research report, "New England Manufacturing Industries in 1970," available on request from the Federal Reserve Bank of Boston.

NEW ENGLAND PLANT AND EQUIPMENT
Age Distribution and Replacement Needs

	Percent of Machinery and Equipment Installed:			Estimated Percent of Machinery that was obsolete in 1958	Estimated Percent of Machinery and Equipment likely to be replaced by 1970	Plant Age Distribution Percent Floor Space Built:				Estimated Percent of Floor Space in 1958 likely to be replaced by 1970
	Before December 1945	December 1945-December 1950	After 1950			Before 1900	1900-1919	1920-1939	1940-1958	
Food and kindred products	22%	18%	60%	15%	62%	3%	29%	31%	37%	16%
Textile mill products	36	30	34	20	34	37	40	10	13	24
Apparel and related products	21	42	37	12	74	27	30	10	33	17
Lumber and wood products	30	20	54	20	61	7	25	29	41	14
Furniture and fixtures	21	31	48	12	70	25	38	23	13	22
Pulp, paper and products	37	20	43	20	37	13	35	26	26	20
Printing and publishing	27	22	51	25	62	6	18	36	40	11
Chemicals and products	24	18	57	10	44	5	17	8	70	10
Rubber products	41	15	44	40	60	39	22	6	23	13
Leather and leather products	21	29	50	12	69	23	26	12	39	14
Stone, clay and glass products	32	22	46	20	63	7	17	32	34	10
Primary metal industries	37	16	47	15	22	12	24	25	39	13
Fabricated metal products	23	24	53	5	42	14	26	27	33	14
Machinery, except electrical	27	23	50	10	57	9	27	17	47	16
Electrical machinery	15	21	64	—	52	7	22	18	53	13
Transportation equipment	17	12	71	10	63	3	8	12	77	5
Instruments and related products	17	30	53	20	80	13	5	27	55	3
Miscellaneous (including tobacco)	32	26	42	15	48	33	22	12	33	13

Source: Federal Reserve Bank of Boston.

of 24 percent as now projected by the U. S. Bureau of Labor Statistics.

The Problem of Replacement

Investment is needed not only for the creation of new jobs, it is also required for the replacement of obsolete production facilities. To establish some bench mark of needs for replacement, the Federal Reserve Bank of Boston conducted a survey in the Spring of 1959. The results, summarized in the table on page 3, indicate that nearly 50 percent of the machinery and equipment in New England industries had been installed since 1950; more than one-third of the plant space was built before 1920.

The age of production facilities varies widely from industry to industry. Part of this can be attributed to the peculiar technologies in the different industries. In some industries technologies change less rapidly and the need for replacement and modernization is less pressing. Another factor is the difference in the historical patterns of growth. An industry, such as electrical machinery, that has grown more rapidly in recent years will ordinarily own a larger proportion of new buildings and machinery. Nevertheless, the large proportion of old building space in use of textile, apparel, furniture, rubber and miscellaneous industries is striking.

An estimate of the proportion of New England production facilities that were obsolete at the time of the survey can be made. Based on estimates of machine life prepared by the U. S. Treasury Department for depreciation allowance in tax reports, it is found — as shown in the table on this page — that in most industries 20 percent or less of their machinery and equipment was obsolete. It is usually agreed that the estimates of machine life were generous, allowing the write off of a machine before its actual expiration due to physical deterioration or obsolescence. It might be concluded, therefore, that with the exception of rubber products and printing and publishing industries, the proportion of obsolete machinery in New England is not seriously large.

One explanation for this phenomenon, despite the presence of many old establishments in the region, may be the fierce competition encountered by the regional plants which often suffer a disadvantage in raw material supply or in market. Only the more progressive plants have survived. Another explanation probably rests in the adjustments experienced by New England industries in the last few decades. Although the total manufacturing employment has not grown rapidly, considerable shifts of labor force from nondurable goods to durable goods industries have taken place. The percentage of new establishments in the region would therefore be greater than that indicated by aggregrate growth.

The age of plants tells a different story. While a plant built 40 or 50 years ago is often considered old and unsuitable for the layout required for modern assembly line machinery, a significant proportion of New England plants was over 60 years old in 1959. There are some conditions, however, under which the existence of old building space that can be readily converted for production uses is actually an asset for the region. It reduces the capital outlay required for the establishment of new enterprises and lowers the overhead costs. This use of old plants has merit, however, only so long as the age of the building does not seriously hamper the production efficiency of the plant.

A goal for the next decade for New England manufacturing industries might be that the proportion of obsolete production capacity be held at the

1958 level. This is not a vindication of the replacement policy now being practiced. The production efficiency can be increased if the present rate of replacement is raised, and this will in turn strengthen the competitive position of the region. In addition it has already been pointed out elsewhere that the present capital structure of New England industries is inadequate, and the low capital intensity relative to the nation is at least in part responsible for the unfavorable productivity levels in the region. The key to the whole issue, however, lies in the relationship between investment and productivity. The contribution that a policy of more rapid replacement can make is limited — the crucial question is how much will be spent for the new facilities.

Investment and Productivity

The employment and replacement goals just outlined are merely some of the conditions that should be met for the balanced development of the region. Given these conditions, the amount of investment is still flexible. However, as pointed out in the last issue of *New England Business Review*, the more the investment per employee the higher the level of labor productivity. In order that the employment goal be achieved, investment in the future decade must be sufficient to raise labor productivity at a rate somewhat comparable to that in the nation. This need is especially imperative because New England is already affected by low capital intensity and low labor productivity in manufacturing industries.

The productivity increase projections in the table on this page reflect these considerations.* They are consistent with the employment goal, the replacement requirement, and the available technologies. The investment requirements for the productivity increases are also given in the table. The investment figures are *net*, and depreciation allowances must be added before they can be compared with the gross investment figures.

The over-all picture suggested by the table is a rather pessimistic one when compared with estimates of outlays during recent years. A much higher level of investment than the present is needed. In terms of the analysis presented earlier, any investment less than the amount indicated in the table means that either the employment goal will not be reached, or the productivity increase will be below the needed rate. Both alternatives are disturbing. If employment growth falls short of the goal by a significant margin, the hope to maintain the industrial base of the region may become untenable. A lower productivity than that projected will likely hamper the competitive strength of the region. The projections for productivity gains are well below the long run national trend of productivity increase. Even though this certainly reflects the particular regional structure, it is probably safe to conclude that the difference should not widen.

The crucial question for the future of New England manufacturing industries is whether adequate investment is forthcoming. The investment requirement, although high, is not completely impossible. For manufacturing industries as a whole, gross capital expenditures per employee in 1955 dollars were $214 in 1939, $383 in 1947, and $324 in 1955. The projected investment given in the table on this page implies a *net* investment of $377 per employee a year between 1955 and 1970. Converted to gross terms, the estimated investment needed is $450. The 1955-58 average level of expenditures was $325 per employee, leaving a gap of 38 percent.

The seriousness of the problem is understood only when the investment pattern of New England manufacturers in the recent years is studied in detail. Since 1947 investment per employee rose steadily in the nation, while the outlays in the region declined. The actual investment per employee in the four years 1955 to 1958 was on the average at the same level as in 1955. The employment and replacement goals and the productivity increase discussed earlier require a substantially higher rate of investment than 1955.

INVESTMENT AND PRODUCTIVITY IN THE NEXT DECADE

New England Manufacturing Industries

Industry	Estimated Average Net Annual Investment 1955-1970 (millions of 1955 dollars)	Estimated Annual Increase in Labor Productivity 1955-1970 (Percent)	U. S. 1899-1953 Trend Productivity Increase Per Annum (Percent)
Food and kindred products	$ 15.0	0.5%	1.7%
Textile mill products	46.5	0.9	2.7
Apparel and related products	7.7	1.6	2.2
Lumber and wood products	15.7	0.5	1.0
Furniture and fixtures		1.6	1.8
Pulp, paper and products	41.0	2.6	3.6
Printing and publishing	23.6	2.2	3.3
Chemicals and products	22.8	2.6	4.8
Rubber products	19.6	2.5	5.7(a)
Leather and leather products	17.3	3.0	1.3
Stone, clay, and glass products	19.6	2.2	3.1
Primary metal industries	13.1	0.3	1.7
Fabricated metal products	43.8	2.3	2.5
Machinery, except electrical	147.1	2.2	2.4
Electrical machinery	77.2	2.7	2.7
Transportation equipment	31.3	1.7	4.5
Instruments and related products	23.3	2.6	2.3
Miscellaneous (including tobacco)	26.9	1.3	
TOTAL	$591.4	2.0%	2.9%

(a) If the years 1929 to 1953 are used, the annual productivity increase is only 1.8 percent.

Source: Federal Reserve Bank of Boston.
The U. S. productivity percent increase computed from J. W. Kendrick, **Production Trends in the U. S.**, NBER (forthcoming).

* A technical paper describing the derivation of these figures, "Innovation, Diffusion, and Technological Change," is available in limited supply from the Federal Reserve Bank of Boston. Some special assumptions regarding the diffusion of technologies are made in the derivation, the most important of which is that all plants follow through the same process of progressing from one technology to another.

Record Christmas Season Sales

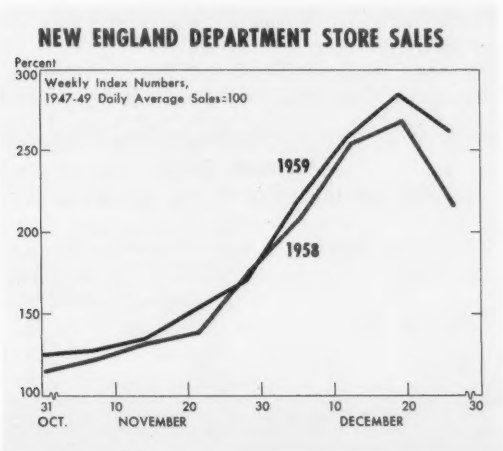
New Englanders spent a record amount of money in the region's department stores during the 1959 Christmas shopping season. Sales at these stores were 5 percent greater than a year ago for the five-week period ending the day after Christmas.

The chart shows the pattern of sales for the last two months of 1958 and 1959. For only one week, the one containing Thanksgiving Day, was the volume of sales smaller than a year ago. Sales the day following Thanksgiving, the traditional start of Christmas shopping, bettered those of a year ago, but the week did not fare so well. Heavy rains on Saturday lowered sales to such an extent that sales for Thanksgiving week were 4 percent lower than in the comparable 1958 week.

Sales proceeded at a record breaking pace for the remainder of the Christmas shopping season. The largest gain came Christmas week and amounted to 20 percent. This gain was largely due to the fact the 1959 week had four pre-Christmas shopping days while the comparable 1958 week only had three. Monday of that week was also the largest dollar volume day of the season in downtown Boston, exceeding last year's record day volume by 3 percent.

Sales in suburban Boston department stores were 9 percent higher than during the 1958 Christmas shopping season while sales of the downtown stores were up 4 percent. Although this performance indicates a continuation of the suburban shopping trend, the spread between the downtown and suburban gains is the narrowest it has been since the 1954 Christmas season. This fact is due partly to lesser activity in opening new stores in 1959 relative to other years. While it would indeed be rash to say this year's performance constitutes a permanent slowing of the trend to greater suburban shopping, the narrowing of the spread must give heart to those who have faith in the future of shopping in downtown stores. Sales for the metropolitan area as a whole were 6 percent higher than in 1958.

Outside the Boston Metropolitan Area, sales were 3 percent larger than a year ago. Deparment store sales in Springfield increased 3 percent while those in Lowell lagged 2 percent in the face of strong discount-type competition from new stores. Sales at stores in a number of other cities in the region exceeded 1958 by 3 percent.



Departmental Sales

Homefurnishings were the stellar performers of the 1959 Christmas season, judging by the departmental sales reported by downtown Boston stores. The 15 percent gain from the 1958 season more than wiped out the 5 percent loss sustained a year ago. Largest gains within the department were in sales of the TV, hi-fi and records grouping. In fact, record sales were big enough to add a second meaning to the "record sales" theme of this article. In many cases, specific records were hard to obtain, but substitutes or gift certificates were sold for the future joy of music-lovers. Sales of furniture and floorcoverings were in greater volume this season than last. Sales of major appliances, however, lagged behind their year-earlier sales total.

Sales of the small wares department, selling principally silverware and jewelry, books, stationery and notions, were up 8 percent. The 7 percent gain in sales of the miscellaneous group of departments was sparked by a 12 percent increase in toy and game sales.

Sales of women's and misses' apparel were 4 percent higher than a year ago, but accessory sales fell 1 percent. Men's and boys' clothing sales equalled those of a year ago. Basement stores fared better than previously in their competitive battle with discount and other bargain outlets, achieving a 5 percent sales gain for the season.

The strong sales performance of this past Christmas season raised the sales gain for the year to 4 percent. The merchants of the region find rising incomes and employment sources of optimism concerning future sales gains as the much-heralded decade of the Sixties begins.

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Expanded Unemployment Benefits

A number of states took measures last year to broaden unemployment insurance because of their experiences in the business recession.

Many workers exhausted their regular unemployment benefits in the recession, and states took stopgap measures to extend temporary relief. Thirty-six states enacted temporary programs, among them Connecticut, Massachusetts, and Rhode Island.

The temporary programs expired last year, and almost all state legislatures considered bills for permanent increases in unemployment compensation. The impact of the 1958 recession had made it clear that workers could easily exhaust their benefits under existing programs.

In addition to permanent increases in benefits enacted last year, there were some basic changes in the laws. Vermont introduced a provision for the amount of benefits to vary with changes in wage levels. Two New England states enacted provisions to extend automatically the maximum periods of benefit payments when the state is faced with prolonged unemployment. Flexibility given the programs by the new measures will tend to provide a more stable income for New England workers.

Amounts of Increases

Last year 21 states increased maximum weekly benefits under unemployment compensation by amounts ranging from $2 to $15.

The original intent of the unemployment insurance program was to provide the unemployment worker with about 50 percent of his wage loss. As wages rise states have to raise the benefits schedule to maintain the same proportion of lost wages.

Vermont's new legislation provides for automatic changes in the maximum weekly benefit. Only two other states have this flexibility. After July 1 of this year the maximum will be maintained at one-half of the state-wide average weekly wage in covered employment. The weekly maximum was increased from $28 to $36 for the period prior to inauguration of the new program.

The newly enacted flexible schedule will tend to create more stability in Vermont's income during periods of rising wages. The automatic program will remove the need for periodic legislation to maintain a constant proportion of the worker's wage covered by unemployment compensation.

Vermont also extended eligibility to additional workers. Employers of three or more persons in 20 weeks of a calendar year are now subject to the unemployment compensation tax. Previously only employers of four or more individuals were included in the unemployment insurance program.

Connecticut increased its maximum weekly benefit to $45 from $40. It is now one of five states in the nation with a maximum of $45 or more. Each insured person who is unemployed will receive one-half of his prior weekly wage, up to the maximum.

Massachusetts boosted its maximum weekly benefits from $35 to $40 last year for workers without dependent children. Workers with dependent children will receive an additional $6 — it was $4 previously — for each child. Total benefits cannot exceed the worker's average weekly wage.

New Hampshire raised its weekly maximum by $6, from $32 to $38.

Increases in the amount and duration of benefits will make the unemployment compensation program more effective in counteracting business recession. In Connecticut, for example, under the new provision an unemployed worker entitled to the maximum amount and duration of benefits would receive payments totaling $715 more than under the old provision.

The accompanying table illustrates the difference between flexible benefit levels and legislatively determined levels. The table shows the relationship of maximum benefit levels to the average weekly manufacturing wage in the six New England states. (Average weekly earnings are higher, however, for manufacturing than for all covered employment.)

The maximum weekly benefit as a percent of the average weekly manufacturing wage in 1958 ranged from 40.5 percent in Vermont to 51.9 percent in Rhode Island. In the four New England states which increased their maximum benefits last year the proportion of benefits to wages in 1959 is higher than the 1958 proportion, even though the average wage had increased from 1958 to 1959.

In Rhode Island and Maine the proportion of benefits to wages declined from 1958 to 1959, since benefits were not increased and average wages rose somewhat between the two years.

If wage levels should rise again by the same percentage as they did between 1958 and 1959, the

MAXIMUM BASIC WEEKLY UNEMPLOYMENT BENEFITS

	Benefits as a Percent of Average Manufacturing Wages		
	1958	1959	Higher Wage Example*
Vermont	40.5%	48.6%	50.0%
New Hampshire	49.0	55.0	51.9
Connecticut	46.5	48.7	45.4
Massachusetts	46.1	49.5	46.5
Maine	48.4	46.3	44.4
Rhode Island	51.9	49.8	47.7

*Example of benefits as percent of wages if wages were to increase by the same percentage as they rose from 1958 to 1959 with no legislative changes in state unemployment benefits.

table shows what the effect would be upon the proportion of benefits to wages. Vermont, because of its flexible benefit level, would have a slight increase in its proportion, while the proportion in the other five states would show a decline at the new wage level. In states with flexible schedules protection for the unemployed is increased in periods of sustained unemployment without the need for additional legislation

Maximum Period of Benefits

Fifteen states last year increased the maximum duration of unemployment benefits by amounts varying from 2 to 13 weeks. Maximum weeks of duration now range from 18 to 39, with 41 states having a maximum potential duration of 26 weeks or more. This compares with benefit periods of 16 weeks in most of the original state acts back in 1937.

All of the New England states now have maximum benefit periods that run for at least a duration of 26 weeks. Last year two states in the region enacted provisions for automatic extension of duration beyond 26 weeks under certain conditions. Duration of benefits will be extended to a possible maximum of 39 weeks in Connecticut whenever the insured unemployment rate of the state is 6 percent or higher in any 8 out of 10 consecutive weeks. In Vermont the duration of benefits will be extended from 26 weeks to a possible maximum of 39 weeks when insured unemployment is above 7 percent for four consecutive weeks.

Under these plans the unemployed will be able to receive benefits for three-fourths of the year, as compared to one-half the year previously, whenever unemployment remains at high levels.

Massachusetts extended the maximum duration of benefits last year from 26 to 30 weeks with no restriction as to the level of unemployment. Partial benefits may be paid for more than 30 weeks to persons attending industrial retraining courses.

Workmen's Compensation

Five New England states along with 25 states outside the region increased workmen's compensation benefits last year.

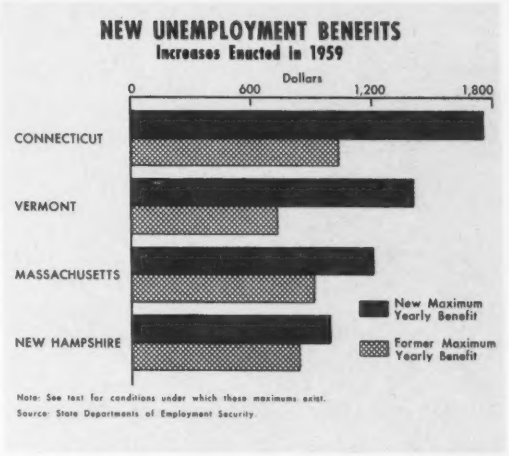
Connecticut changed its maximum weekly benefit from $40 to 55 percent of the state's average production worker wage, effective in October of this year. Four other New England states made dollar increases in their maximums.

Other changes in the workmen's compensation laws of New England states included:

Connecticut and Maine made their workmen's compensation laws compulsory rather than elective for employes subject to the act.

Connecticut and New Hampshire extended their laws to cover additional employers.

Connecticut reduced the period of time for which a worker must be disabled before he becomes eligible for benefits.



Vermont and Maine increased medical benefits and, along with Rhode Island, burial expense allowances.

Economic Significance

Unemployment compensation laws are particularly important for the New England economy because of the composition of its work force. The region's dependence upon manufacturing makes it sensitive to the business cycle. Unemployment compensation systems can alleviate much of the distress of cyclical unemployment such as occurred in the 1949, 1954, and 1958 business recessions.

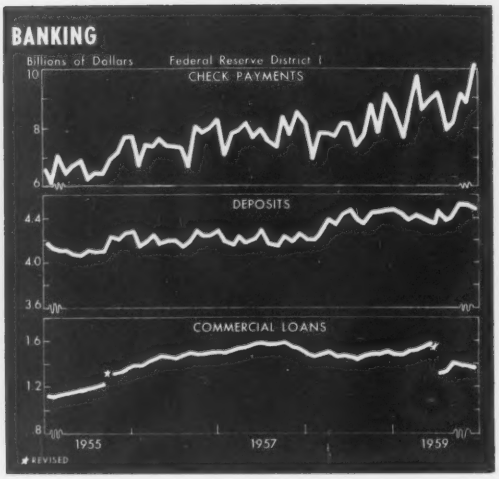
Even when total demand for labor is high, relocation of industries can cause some frictional unemployment. The shift of employment opportunities within New England, from textile to electrical machinery, for example, creates relocation problems for workers.

Seasonality in New England's industries also increases the importance of unemployment compensation laws in the region. Loss of work because of seasonal factors is particularly important in lumber, food, shoes, apparel and construction.

Unemployment compensation is one of the "built-in stabilizers" of the economy. As the level of unemployment rises, payments to workers out of the compensation fund increase. This helps to offset the loss of income experienced by the unemployed and consequently to maintain consumer purchases of goods and services.

New England's experience between 1957 and 1958 is an example of this process; average insured unemployment rose between the two years by more than 100,000 workers. Unemployment benefits increased by $166 million. Thus New England's income was at least $166 million greater in 1958 than it would have been without the increase in unemployment benefits.

Liberalization of unemployment benefits last year will increase their power as a stabilizer.



MANUFACTURING INDEXES (seasonally adjusted)	MASSACHUSETTS (1950–52 = 100)			NEW ENGLAND (1950–52 = 100)			UNITED STATES (1957 = 100)		
	Dec. '59	Nov. '59	Dec. '58	Dec. '59	Nov. '59	Dec. '58	Dec. '59	Nov. '59	Dec. '58
All Manufacturing	114	119	112	117	119	113	109	103	100
Primary Metals	99	89	98	101	100	95	121	79	90
Textiles	45	53	46	66	70	67	n.a.	111	104
Shoes and Leather	101	130r	132	116	137	131	n.a.	n.a.	105
Paper	106	112	102	129	132	114	n.a.	109	107

1958 figures revised for Massachusetts and New England

	NEW ENGLAND	Percent Change from:		UNITED STATES	Percent Change from:	
	Dec. '59	Nov. '59	Dec. '58	Dec. '59	Nov. '59	Dec. '58
BANKING AND CREDIT						
Commercial and Industrial Loans ($ millions) (Weekly Reporting Member Banks)	1,366	— 1	n.a.	30,289	+ 2	n.a.
Deposits ($ millions) (Weekly Reporting Member Banks)	4,475	— 1	0	110,093	+ 2	n.a.
Check Payments ($ millions) (Selected Cities)	10,096	+14	+11	261,121	+20	+ 9
Consumer Installment Credit Outstanding (index, 1950–52 = 100)	234.3	+ 1	+10	265.6	+ 2	+17
TRADE						
Department Store Sales (index, seas. adj. 1947–49 = 100)	138	+ 9	+ 5	149	+ 3	+ 3
Department Store Stocks (index, seas. adj. 1947–49 = 100)	145	0	+ 4	161	+ 1	+ 7
EMPLOYMENT, PRICES, MAN-HOURS, & EARNINGS						
Nonagricultural Employment (thousands)	3,638	+ 1	+ 2	53,564	+ 2	+ 3
Insured Unemployment (thousands) (excl. R. R. and temporary programs)	134	+22	—19	1,813	+ 6	—12
Consumer Prices (index, 1947–49 = 100)	126.9 (Mass.)	0	+ 1	125.5	0	+ 1
Production-Worker Man-Hours (index, 1950 = 100)	89.8	+ 1	+ 5	101.5	+ 3	+ 4
Weekly Earnings in Manufacturing ($)	82.61 (Mass.)	+ 3	+ 4	91.53	+ 3	+ 4
OTHER INDICATORS						
Construction Contract Awards ($ thous.) (3-mos. moving averages Oct., Nov., Dec.)						
Total	120,501	—15	— 7	2,577,128	—10	— 6
Residential	60,360	—15	+ 9	1,200,172	—12	— 5
Public Works	11,844	—37	—53	410,718	0	—20
Electrical Energy Production (index, seas. adj. 1947–49 = 100)*	213.1	+ 2	+ 7	265.9	+ 3	+ 8
Business Failures (number)	43	—38	+ 2	1,080	— 4	0
New Business Incorporations (number)	1,182	+56	— 7	16,467	+27	0

*Figure for last week of month

n.a. = not available
r = revised